

EASY LIVING SENIOR CARE CENTER  
KANSAS CITY, MISSOURI

CERTIFICATE OF NEED APPLICATION

NEW ASSISTED LIVING FACILITY

APRIL 2010

PROJECT #4488 RS



# NEW OR ADDITIONAL LONG TERM CARE BED APPLICATION\*

Applicant's Completeness Checklist and Table of Contents

Project Name Easy Living Care Center

No. 4488RS

Project Description New Assisted Living Facility

Done Page N/A Description of CON Rulebook Contents

## Divider I. Application Summary:

- ☒ 1 ☐ 1. Applicant Identification and Certification (Form MO 580-1861).
- ☒ 1 ☐ 2. Representative Registration (Form MO 580-1869).
- ☒ 1 ☐ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet.

## Divider II. Proposal Description:

- ☒ 2 ☐ 1. Provide a complete detailed project description.
- ☒ 3 ☐ 2. Provide a legible city or county map showing the exact location of the proposed facility.
- ☒ 4 ☐ 3. Provide a site plan for the proposed project.
- ☒ 4 ☐ 4. Provide preliminary schematic drawings for the proposed project.
- ☒     ☐ 5. Provide evidence that architectural plans have been submitted to the DHSS.
- ☒ 4 ☐ 6. Provide the proposed gross square footage.
- ☒ 4 ☐ 7. Document ownership of the project site, or provide an option to purchase.
- ☒ 5-6 ☐ 8. Define the community to be served.
- ☒ 7 ☒ 9. Provide 2015 population projections for the 15-mile radius service area.
- ☒ 7 ☐ 10. Identify specific community problems or unmet needs the proposal would address.
- ☒ 8 ☒ 11. Provide historical utilization for each of the past three years and utilization projections through the first three years of operation of the new LTC beds.
- ☒ 8 ☐ 12. Provide the methods and assumptions used to project utilization.
- ☒ 8 ☐ 13. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
- ☒ 8 ☐ 14. Provide copies of any petitions, letters of support or opposition received.

## Divider III. Service Specific Criteria and Standards:

- ☒     ☒ 1. For ICF/SNF beds, address the population-based bed need methodology of fifty-three (53) beds per one thousand (1,000) population age sixty-five (65) and older.
- ☒ 9 ☐ 2. For RCF/ALF beds, address the population-based bed need methodology of sixteen (16) beds per one thousand (1,000) population age sixty-five (65) and older.
- ☒ 9-10 ☐ 3. Document any alternate need methodology used to determine the need for additional beds such as LTCH, Alzheimer's, mental health or other specialty beds.
- ☒     ☒ 4. For any proposed facility which is designed and operated exclusively for persons with acquired human immunodeficiency syndrome (AIDS) provide information to justify the need for the type of beds being proposed.

## Divider IV. Financial Feasibility Review Criteria & Standards:

- ☒ 12 ☐ 1. Document that the proposed costs per square foot are reasonable when compared to the latest "RS Means Construction Cost data".
- ☒ 12 ☐ 2. Document that sufficient financing is available by providing a letter from a financial institution or an auditors statement indicating that sufficient funds are available.
- ☒ 12 ☐ 3. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) for the latest three (3) years, and projected through three (3) years beyond project completion.
- ☒ 12 ☐ 4. Document how patient charges were derived.
- ☒ 12 ☐ 5. Document responsiveness to the needs of the medically indigent.

\* Use for RCF/ALF, ICF/SNF and LTCH beds

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DIVIDER I – APPLICATION SUMMARY

Application summary shall be composed of the completed forms in the following order:

(A) Applicant Identification (Form MO 580-1861);

See Attachment One

(B) A completed Representative Registration (Form MO 580-1869) for the contact person and any others as required by section 197.326(1), RSMo;

See Attachment Two

(C) Proposed Project Budget (Form MO 580-1863).

See Attachment Three.

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DIVIDER II - PROPOSAL DESCRIPTION

1. Provide a complete detailed project description

Easy Living Senior Care Center (ELSCC) is a proposed 216 bed assisted living facility, a portion of which will include an Alzheimer and memory unit. The proposed new facility will provide assisted living arrangements for individuals who want to enjoy a certain level of independence, but would like assistance readily available.

Services provided in the assisted living will include: meals, medication administration, emergency call systems, social services, assistance with activities of daily living, weekly linen, laundry & housekeeping services. The Alzheimer/memory unit will offer specialized therapies in secure surroundings for individuals with Alzheimer's disease and other memory-related conditions.

ELSCC will be located in what was the prior Shalom Geriatric Center (SGC). Before closing in May of 2004, SGC operated as a 196 bed skilled nursing unit. ELSCC is proposing a complete renovation of the prior skilled nursing facility, which is 102,000 square feet at and estimated project cost of \$5,000,000.

The facility will be renovated, staffed, and equipped to provide services to not only assisted living and assisted living Alzheimer/memory residents but would include services for adult day care.

Assisted living will be provided on the first, second, and third floors. It is anticipated there will be 85 rooms and 164 beds available for this service.

The Alzheimer and Memory Unit will be located within the lower level of the facility and there will be 26 rooms and 52 beds available for this service. This will be a secure, locked area for resident safety.

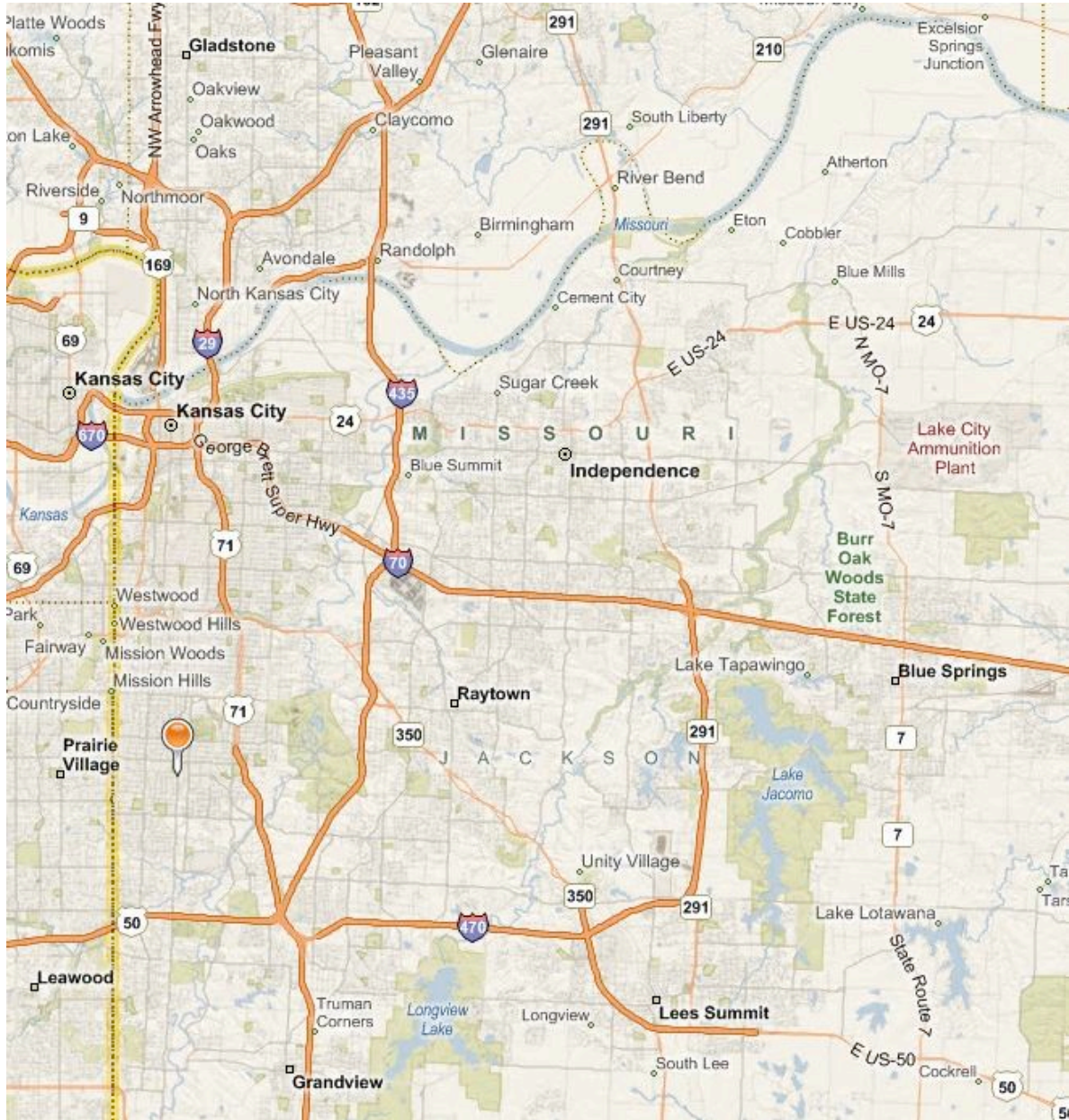
The adult day care will accommodate up to 20 adult day care participants. This area has convenient access for drop offs and shuttle van transportation.

In total, the facility will operate 111 rooms and 216 beds all of which will be licensed as assisted living, and provide a variety of ancillary services designed to optimize a resident's health and welfare.

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2. Provide a legible city or county map showing the exact location of the proposed facility.

The Pin below denotes the location of the proposed ELSCC.



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3. Provide a site plan for the proposed project

The proposed site plan can be found in Attachment Four

4. Provide preliminary schematic drawings for the proposed project.

The proposed preliminary schematic drawings can be found in Attachment Four

5. Provide evidence that architectural plans have been submitted to the DHSS

A letter of architectural compliance from the Division of Aging can be found in Attachment Five.

6. Provide the proposed gross square footage

The entire renovation will consist of 102,000 square feet

7. Document ownership of the project site, or provide an option to purchase

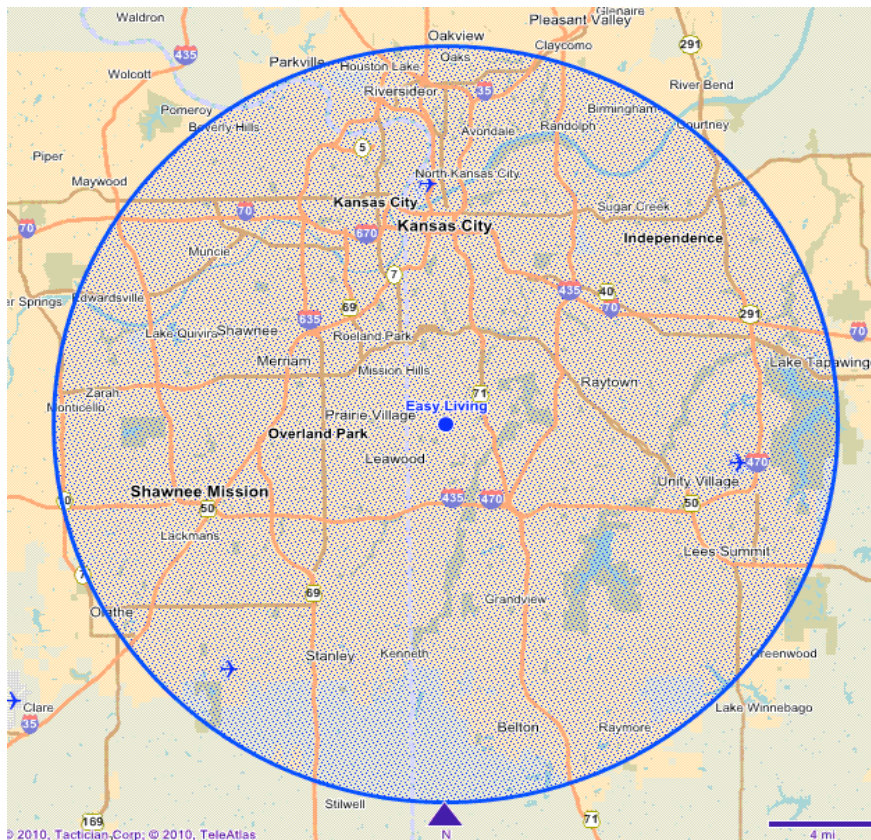
See Attachment Six.



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## 8. Define the community to be served

Because of the urban location of ELSCC the applicant's defined service area is a 15-mile radius (similar to what CON requires). However, CON does not factor into its demographics the population of other States. The proposed facility will attract potential residents from Kansas, which is only 1.5 miles west of the facility (see map below in relation to the Kansas State line).



The entire 15-mile radius has a 2009 estimated population of 1,268,729 and is projected to grow two percent by 2014 to 1,290,014 (see table below). Specifically, ELSCC will target the 65+ population; within the 15-mile radius; it is estimated this portion on the population accounts for 157,937 individuals and by 2014 the 65+ population will grow 15 percent and reach 182,472.



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Table: Demographic Summary 15-Mile Radius (including Kansas)

7801 Holmes - 15 Mile Radius			
	2000 CENSUS	2009 ESTIMATE	2014 FORECAST
Population	1,202,279	1,268,729	1,290,014
Households	484,014	498,869	493,321
Families	308,877	317,881	323,195
Median Age	35.1	37.2	38.2
Median Household Income	\$44,306	\$57,508	\$62,170
Average Household Income	\$58,367	\$69,566	\$71,685
Average Household Size	2.48	2.54	2.61
65+ Population	144,778	157,937	182,472
65+ % Population	12.04%	12.45%	14.14%

Source: Tactician Corp

A detailed age breakdown can be found in the below table.

Table: Age Breakdown 15-Mile Radius (including Kansas)

Population by Age						
	2000 CENSUS		2009 ESTIMATE		2014 FORECAST	
	Number	Percent	Number	Percent	Number	Percent
Age 0-4	87,065	7.20%	93,559	7.40%	89,815	7.00%
Age 5-9	88,100	7.30%	88,421	7.00%	90,387	7.00%
Age 10-14	87,994	7.30%	86,385	6.80%	85,897	6.70%
Age 15-19	80,811	6.70%	85,618	6.70%	85,070	6.60%
Age 20-24	76,062	6.30%	81,118	6.40%	88,262	6.80%
Age 25-29	89,882	7.50%	79,969	6.30%	78,089	6.10%
Age 30-34	89,519	7.40%	81,610	6.40%	76,588	5.90%
Age 35-39	99,954	8.30%	85,875	6.80%	79,327	6.10%
Age 40-44	98,585	8.20%	93,515	7.40%	83,860	6.50%
Age 45-49	87,623	7.30%	97,411	7.70%	91,171	7.10%
Age 50-54	74,685	6.20%	91,214	7.20%	93,554	7.30%
Age 55-59	54,790	4.60%	80,180	6.30%	87,522	6.80%
Age 60-64	42,431	3.50%	65,917	5.20%	77,999	6.00%
<b>Age 65-69</b>	<b>38,239</b>	<b>3.20%</b>	<b>47,561</b>	<b>3.70%</b>	<b>62,540</b>	<b>4.80%</b>
<b>Age 70-74</b>	<b>36,115</b>	<b>3.00%</b>	<b>35,459</b>	<b>2.80%</b>	<b>43,647</b>	<b>3.40%</b>
<b>Age 75-79</b>	<b>31,191</b>	<b>2.60%</b>	<b>29,340</b>	<b>2.30%</b>	<b>30,860</b>	<b>2.40%</b>
<b>Age 80-84</b>	<b>20,555</b>	<b>1.70%</b>	<b>22,911</b>	<b>1.80%</b>	<b>23,182</b>	<b>1.80%</b>
<b>Age 85+</b>	<b>18,678</b>	<b>1.60%</b>	<b>22,666</b>	<b>1.80%</b>	<b>22,243</b>	<b>1.70%</b>
<b>Total</b>	<b>1,202,279</b>	<b>100.00%</b>	<b>1,268,729</b>	<b>100.00%</b>	<b>1,290,014</b>	<b>100.00%</b>
<b>Median</b>	<b>35.1</b>		<b>37.2</b>		<b>38.2</b>	
<b>65+</b>						
Population	144,778	12.04%	157,937	12.45%	182,472	14.14%

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#### **9. Provide 2015 population projections for the 15-mile service area**

Below is the 15-mile population projections provided by the State of Missouri, which as noted earlier does not include population projections for Kansas. The 2015 65+ population will have a projected population of 99,575, which is fourteen percent of the total service area's population of 690,844. The specific breakdown by zip-code can be found in Attachment Seven.

<b>15-Mile Radius Pop Projection</b>		
<b>Total Population</b>	<b>Pop. 65 &amp; Over</b>	<b>% 65+</b>
690,844	99,575	14%

#### **10. Identify specific community problems or unmet needs to proposal would address**

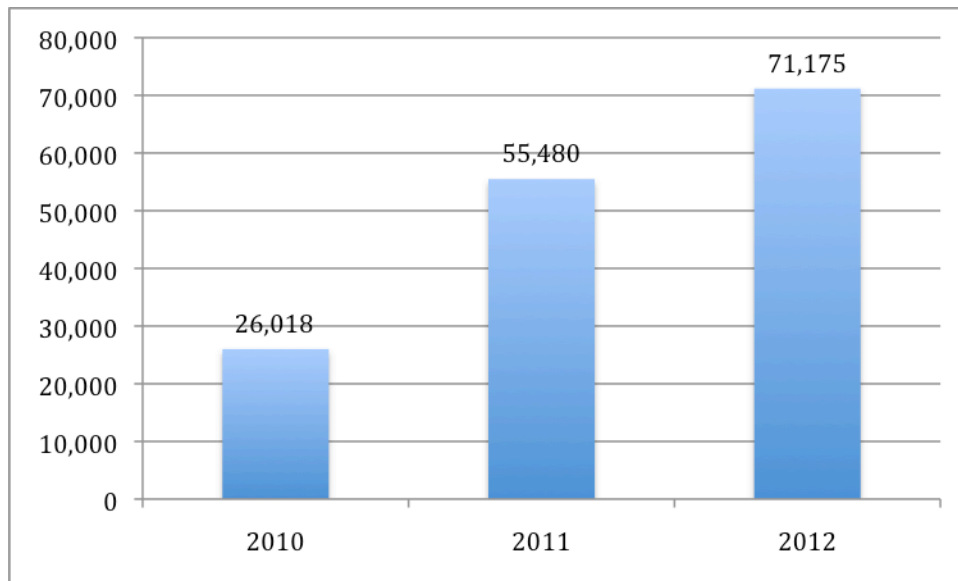
As noted earlier, the proposed facility will attract potential residents from Kansas, which is only 1.5 miles west of the facility and is not factored into the 15-mile radius that CON reviews. Within the 15-mile radius in Missouri the average occupancy for all the RCF/AL is approximately 80 percent. Many of the facilities below 90 percent occupancy are licensed for two beds per room but are only being made available for single occupancy (private rooms). Other facilities are outdated and have not been able to invest back into their facilities and have been unable to attract new residents.

In addition to assisted living services it is important to note that this project will provide a unique and specialized environment for those individuals with dementia and memory impairment. As will be noted in Section Three of the application, approximately 15,000 seniors in the total service area suffer from some form of dementia. By offering services to Alzheimer's/ dementia residents ELSCC is serving an unmet need in the community.

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**11. Provide utilization projections through the first three years of operations**

Below are the patient days projected for the next three years.



**12. Provide the methods and assumptions used to project utilization**

In an effort to be conservative, ELSCC has assumed 70 percent occupancy in the second year and ramps up to 90 percent occupancy in the third year. All the RCF/AL facilities in the 15-mile radius from Missouri are currently running at approximately 80 percent occupancy. ELSCC believes that with a newly renovated facility and the needed demand for senior housing that 90 percent occupancy in year three is a reasonable assumption.

**13. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.**

Representatives of ELSCC have met with local government officials as well as local business and residents of like facilities of the proposed project to inform them of the planned development and to seek their input.

See Attachment Eight for letters of support and as they are received during the CON processes they will be forwarded to the CON staff.

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**DIVIDER III – CRITERIA AND STANDARDS FOR LONG TERM CARE**

1. For ICF/SNF beds address the population based bed need methodology of fifty-three (53) beds per one thousand (1,000) population age sixty-five (65) and older.

Not applicable

2. For RCF/ALF beds, address the population-based bed need methodology of twenty-five (25) beds per one thousand (1,000) population age sixty-five (65) and older.

Unmet Need =  $[(R \times P) - U]$

$R = 16/1,000$

$P = \text{Population age 65 and older in 15 mile radius} = 99,575$

$U = \text{\# of RCF and ALF beds in the 15 mile radius} = 1,562$

With the above CON formula, before adding any additional RCF/ALF beds, there is a need for 1,593 RCF/ALF beds within the 15-mile radius service area. The service area has a total of 1,562 beds creating a need for 31 RCF/AL beds. After the proposed project adds 216 beds, there will be a surplus of 186 beds according to the CON need formula.

The surplus in beds does not account for the population in Kansas, which will also be utilizing the proposed facility. If one factors in the total 65+ population of 182,472 there is a total need of 2,919 assisted living beds within the 15-mile radius.

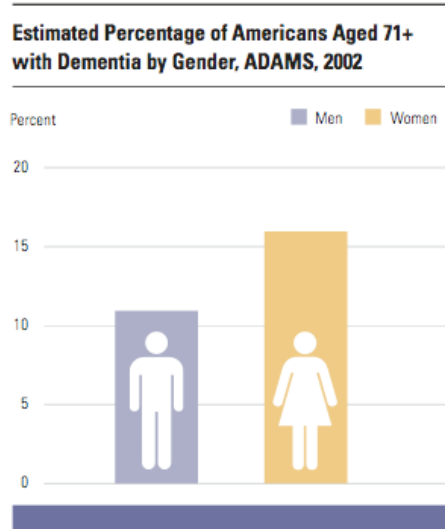
See Attachment Nine for a detailed breakout of Missouri RCF/ALF within the 15-mile radius service area.

3. Document any alternate need methodology used to determine the need for **additional beds such as LTCH, Alzheimer's, mental health or other specialty beds.**

Currently, an estimated 5.3 million Americans of all ages have Alzheimer's or a dementia related disease (Alzheimer's Association). Based on estimates from the Aging, Demographics, and Memory Study (ADAMS), 14 percent of all people aged 71 and older have dementia which means that within ELSCC's 15-mile radius service area there are 15,500 individuals age 71+ with some form of dementia (see Table: Dementia Use Rates).

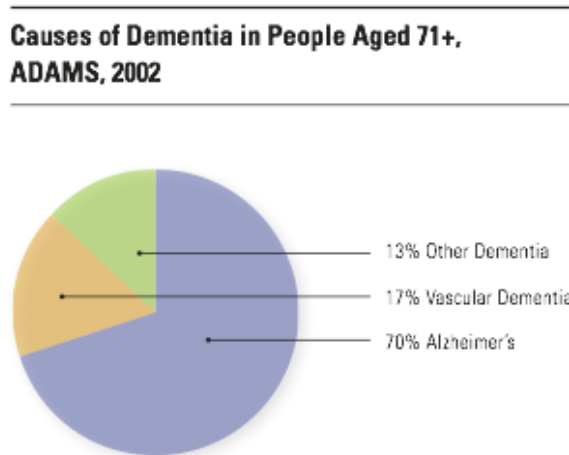
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**Divider III**

Table: Dementia Use Rate



Estimates from the Aging, Demographics, and Memory Study (source: Alzheimer's Association)  
 ELSCC's 15-Mile Radius 70+ population = 110,376 \* 14% = 15,453

Table: Breakdown of Types of Dementia



Estimates from the Aging, Demographics, and Memory Study (source: Alzheimer's Association)

The need for safe housing in the 15-mile radius is pronounced. If every Missouri assisted living bed and skilled nursing bed within the 15-mile radius were utilized for individuals with dementia (6,000 SNF/ICF + 1,562 RCF/ALF) there would still be a need for approximately 8,000 additional dementia beds.

In 2004, the average per person payments from all sources for hospital care for Medicare beneficiaries aged 65 and older with Alzheimer's and other dementias were 2.8 times higher than for other Medicare beneficiaries in the same age group (\$7,663 per person compared with \$2,748 per person for beneficiaries with no Alzheimer's or other

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dementia). Having access to care and 24 hours oversight at Easy Living Senior Care Center will allow those with dementia to receive care in a less costly and friendlier environment than a hospital.

4. For any proposed facility which is designed and operated exclusively for the persons with acquired human immunodeficiency syndrome (AIDS), provide information to justify the need for the type of beds being proposed.

Not applicable

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**DIVIDER IV – FINANCIAL FEASABILITY REVIEW CRITERIA AND STANDARDS**

1. Document that the proposed costs per square foot are reasonable when compared to the latest RS Means Construction data

The RS Means Construction comparison data applies to new construction and not renovation.

2. Document that sufficient financing is available by providing a letter from a financial **institution or an auditor's statement indicating that sufficient funding is available**

See Attachment Ten for a letter from ELSSC's bank expressing willingness to fund the proposed project.

3. Provide Service Specific Revenues and Expenses (Form MO 580-1865) projected three (3) years beyond completion

See Attachment Eleven

4. Document how patient charges were derived

Patient charges were derived from an assumption that ELSSC would charge \$2,495 per month for assisted living and \$3,495 per month for Alzheimer's residents. This is an all-inclusive rate, which includes all meals, housekeeping, laundry, transportation, medication assistance, and programs. The only additional fees would be if the resident wants cable television or a private telephone and this would be at cost. The average daily fees were based upon the projected ADC's at the monthly rates and mix projected in the attached pro-forma (Form MO 580-1865). The rates charged by ELSSC are significantly lower than rates charged by other like facilities. ELSSC is able to achieve this by passing its lower capital costs onto the consumer.

5. Document responsiveness to the need of the medically indigent.

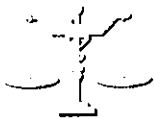
The proposed project is designed to meet the needs of the primary service area population at an affordable rate. If a resident is no longer able to afford assisted living housing the applicant will assist the resident and their family in finding a suitable community.







## ATTACHMENT ONE

**APPLICANT IDENTIFICATION AND CERTIFICATION***(must match the Letter of Intent for this project, without exception)***1. Project Location** *(attach additional pages as necessary to identify multiple project sites.)*

Title of Proposed Project	Project Number
Easy Living Senior Care Center	4488RS
Project Address (Street/City/State/Zip Code)	County
7801 Holmes, Kansas City, Missouri, 64131	Jackson

**2. Applicant Identification** *(information must agree with previously submitted Letter of Intent)***List All Owner(s):** *(list corporate entity)* Address (Street/City/State/Zip Code) Telephone Number

Easy Living Senior Care Center, LLC	8201 E 23rd St. Kansas City, Missouri 64129	816-833-0000
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**List All Operator(s):** *(list entity to be licensed or certified)* Address (Street/City/State/Zip Code) Telephone Number

Easy Living Senior Care Center - Operations, LLC	7801 Holmes, Kansas City, Missouri, 64131	
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**3. Ownership** *(Check applicable category)*

<input type="checkbox"/> Nonprofit Corporation	<input type="checkbox"/> Individual	<input type="checkbox"/> City	<input type="checkbox"/> District
<input checked="" type="checkbox"/> Partnership	<input type="checkbox"/> Corporation	<input type="checkbox"/> County	<input type="checkbox"/> Other: _____

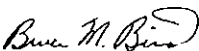
**4. Certification:**

In submitting this project application, the applicant understands that:

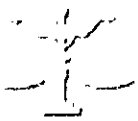
- (A) The review will be made as to the community need for the proposed beds or equipment in this application;
- (B) In determining community need, the Missouri Health Facilities Review Committee (Committee) will consider all similar beds or equipment within;
- (C) The issuance of a Certificate of Need (CON) by the Committee depends on conformance with its Rules and CON statute;
- (D) A CON shall be subject to forfeiture for failure to incur an expenditure on any approved project six (6) months after the date of issuance, unless obligated or extended by the Committee for an additional six (6) months;
- (E) Notification will be provided to the CON Program staff if and when the project is abandoned; and
- (F) A CON, if issued, may not be transferred, relocated, or modified except with the consent of the Committee.

We certify the information and data in this application as accurate to the best of our knowledge and belief by our representative's signature below:

**5. Authorized Contact Person** *(attach a Contact Person Correction Form if different from the Letter of Intent)*

Name of Contact Person	Title	
Bruce Bird	Partner	
Telephone Number	Fax Number	E-mail Address
816-795-7175	816-795-7175	bbird@mid-america-hmc.com
Signature of Contact Person		Date of Signature
		2-26-2010

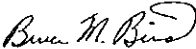
## ATTACHMENT TWO



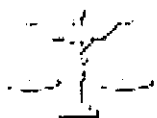
## Certificate of Need Program

## REPRESENTATIVE REGISTRATION

(A registration form must be completed for each project represented)

Project Name Easy Living Senior Care Center		Number 4488RS														
(Please type or print legibly)																
Name of Representative Bruce Bird		Title Partner														
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Mid-America HMC		Telephone Number 816-795-7175														
Address (Street/City/State/Zip Code) 3720 Arrowhead Avenue, Suite 101, Independence, Missouri 64057																
Who's interests are being represented? (If more than one, submit a separate Representative Registration Form for each.)																
Name of Individual/Agency/Corporation/Organization being Represented Easy Living Senior Care Center		Telephone Number 816-833-0000														
Address (Street/City/State/Zip Code) 7801 Holmes, Kansas City, Missouri, 64131																
<table border="0"><tr><td>Check one. Do you:</td><td>Relationship to Project:</td></tr><tr><td><input checked="" type="checkbox"/> Support</td><td><input type="checkbox"/> None</td></tr><tr><td><input type="checkbox"/> Oppose</td><td><input type="checkbox"/> Employee</td></tr><tr><td><input type="checkbox"/> Neutral</td><td><input type="checkbox"/> Legal Counsel</td></tr><tr><td></td><td><input checked="" type="checkbox"/> Consultant</td></tr><tr><td></td><td><input type="checkbox"/> Lobbyist</td></tr><tr><td></td><td><input type="checkbox"/> Other (explain):</td></tr></table>			Check one. Do you:	Relationship to Project:	<input checked="" type="checkbox"/> Support	<input type="checkbox"/> None	<input type="checkbox"/> Oppose	<input type="checkbox"/> Employee	<input type="checkbox"/> Neutral	<input type="checkbox"/> Legal Counsel		<input checked="" type="checkbox"/> Consultant		<input type="checkbox"/> Lobbyist		<input type="checkbox"/> Other (explain):
Check one. Do you:	Relationship to Project:															
<input checked="" type="checkbox"/> Support	<input type="checkbox"/> None															
<input type="checkbox"/> Oppose	<input type="checkbox"/> Employee															
<input type="checkbox"/> Neutral	<input type="checkbox"/> Legal Counsel															
	<input checked="" type="checkbox"/> Consultant															
	<input type="checkbox"/> Lobbyist															
	<input type="checkbox"/> Other (explain):															
<p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</p>																
Original Signature 		Date 2-24-2010														

## ATTACHMENT THREE

**PROPOSED PROJECT BUDGET****Description****Dollars****COSTS:\***

1. New Construction Costs ***	0
2. Renovation Costs ***	2,080,000
3. Subtotal Construction Costs (#1 plus #2)	<u>2,080,000</u>
4. Architectural/Engineering Fees	35,000
5. Other Equipment (not in construction contract)	680,000
6. Major Medical Equipment	0
7. Land Acquisition Costs ***	300,000
8. Consultants' Fees/Legal Fees ***	65,000
9. Interest During Construction (net of interest earned) ***	140,000
10. Other Costs ****	1,700,000
11. Subtotal Non-Construction Costs (sum of #4 through #10)	<u>2,920,000</u>
12. Total Project Development Costs (#3 plus #11)	<u>5,000,000</u> **

**FINANCING:**

13. Unrestricted Funds	0
14. Bonds	0
15. Loans	5,000,000
16. Other Methods (specify)	0
17. Total Project Financing (sum of #13 through #16)	<u>0</u> **

18. New Construction Total Square Footage	0
19. New Construction Costs Per Square Foot *****	0
20. Renovated Space Total Square Footage	102,000
21. Renovated Space Costs Per Square Foot *****	\$20.40

\* Attach additional page(s) to provide details of how each line item was determined, including all methods and assumptions used.

\*\* These amounts should be the same.

\*\*\* Capitalizable items to be recognized as capital expenditures after project completion.

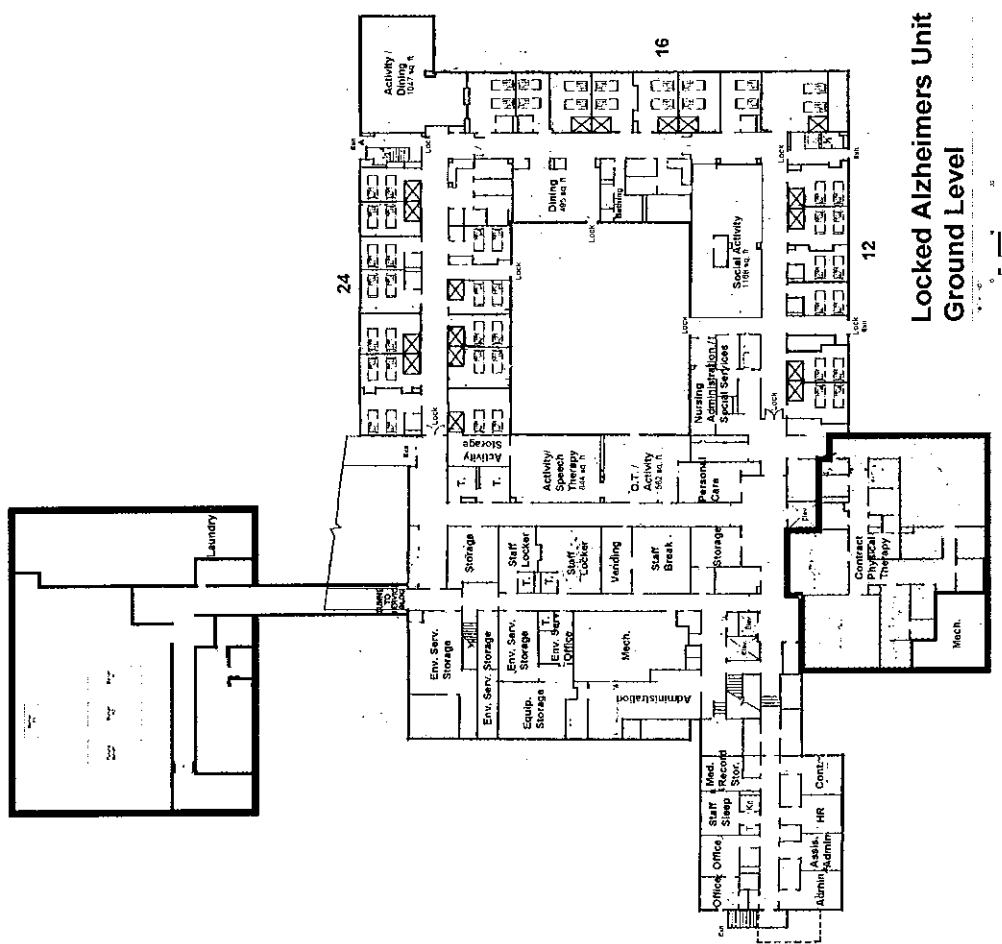
\*\*\*\* Include as Other Costs the following: other costs of financing; the value of existing lands, buildings and equipment not previously used for health care services, such as a renovated house converted to residential care, determined by original cost, fair market value, or appraised value; or the fair market value of any leased equipment or building, or the cost of beds to be purchased.

\*\*\*\*\* Divide new construction costs by total new construction square footage.

\*\*\*\*\* Divide renovation costs by total renovation square footage.



## ATTACHMENT FOUR



## Remodel and Conversion of Existing Facilities

(Old Kansas City Care and Rehabilitation Center)

**Senior Easy Care Living Center**  
Level II Assisted Living and Alzheimer's Unit

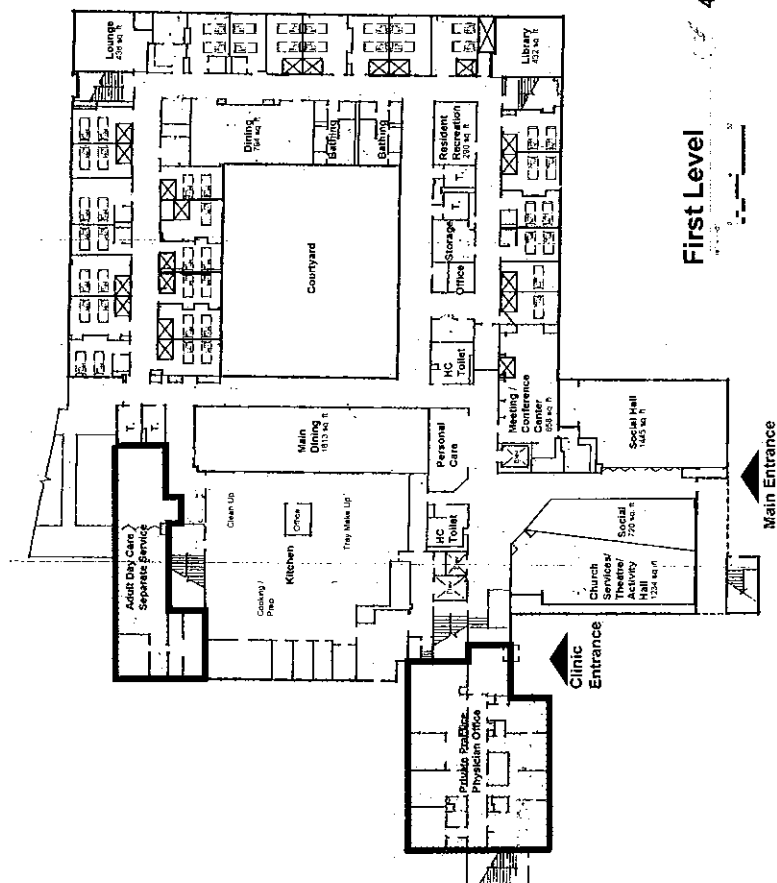
Level II Assisted Living and Alzheimer's Unit

02/11/2010

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ARCHITECTS	PLANNERS	INTERIOR DESIGNERS
11477 Dade County Rd. Bk. Louis, MD 20714	11888 Park Ridge Cir Lanham, MD 20631 913.724.2200	1491 S. Mt. St. Harrison City, MD 21741



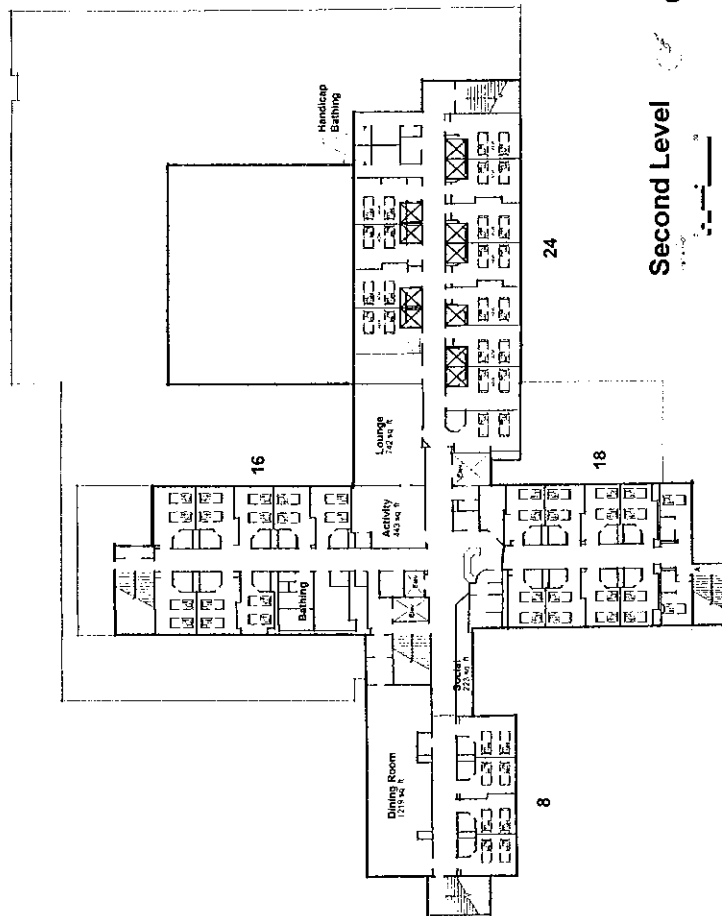
First Level 49 Total Residents

# Remodel and Conversion of Existing Facilities (Old Kansas City Care and Rehabilitation Center)

7201 W. 12th St.  
Kansas City, Missouri 64112

To Become :

## Senior Easy Care Living Center Level II Assisted Living and Alzheimer's Unit



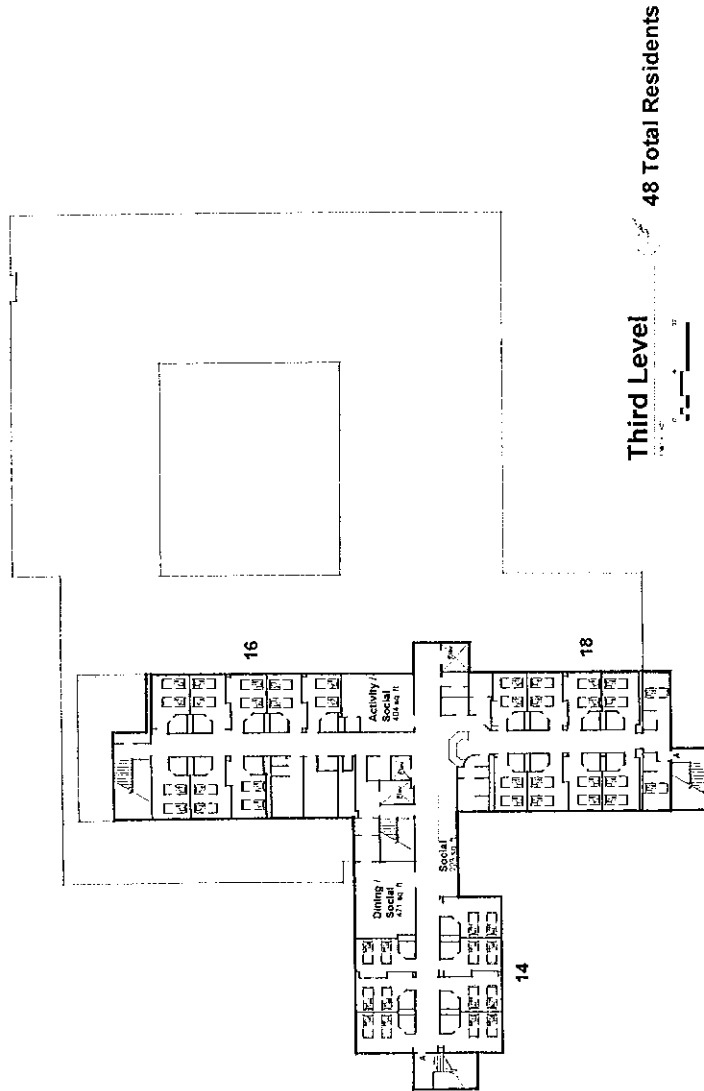
Second Level 66 Total Residents

## Remodel and Conversion of Existing Facilities (Old Kansas City Care and Rehabilitation Center)

7401 Holmes Rd.  
Kansas City, Missouri

To Become :

## Senior Easy Care Living Center Level II Assisted Living and Alzheimer's Unit



Remodel and Conversion of Existing Facilities  
(Old Kansas City Care and Rehabilitation Center)  
7801 Holmes Rd.  
Kansas City, Missouri

To Become :

**Senior Easy Care Living Center**  
Level II Assisted Living and Alzheimer's Unit

## ATTACHMENT FIVE



**Missouri Department of Health and Senior Services**

P.O. Box 570, Jefferson City, MO 65102-0570 Phone: 573-751-6400 FAX: 573-751-6010  
RELAY MISSOURI for Hearing and Speech Impaired 1-800-735-2966 VOICE 1-800-735-2466

Margaret T. Donnelly  
Director



Jeremiah W. (Jay) Nixon  
Governor

February 17, 2010

Larry Diehl  
ACI Boland, Inc.  
11229 Nall, Suite 140  
Leawood, KS 66211

RE: New 215 Bed Facility  
Senior Easy Care Living Center  
Kansas City, MO  
ALF-1596

Dear Mr. Diehl:

Preliminary drawings were reviewed in this office February 16, 2010. This facility was formerly a skilled nursing facility (7801 Holmes Rd.). The following items should be considered when developing final plans:

1. The facility will require a complete sprinkler system with quick response heads.
2. Verify that the smoke compartments are less than 150 feet long or wide.

Sincerely,

Dennis D Smith  
Consulting Engineer

cc: Dan Eckles, 1423 Greenberry Rd., Jefferson City, MO 65101  
Michele Mc-Elroy-Otis, Region 3

[www.dhss.mo.gov](http://www.dhss.mo.gov)

Healthy Missourians for life.

The Missouri Department of Health and Senior Services will be the leader in promoting, protecting and partnering for health.

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER: Services provided on a nondiscriminatory basis.

25



## ATTACHMENT SIX

## REAL ESTATE OPTION

Four Limited, LLC referred to as SELLER, grants to BUYER (Easy Living Senior Care Center) the exclusive right to purchase the following parcel of real estate situated in Jackson County, State of Missouri:

Legal Description of Property -- 8.2 acres at 7801 Holmes, KCMO

until April 30, 2010, upon the terms and conditions stated herein.

The Buyer may obtain a single extension of this exclusive option for a period of 60 days by the payment of a sum of \$10,000 (ten thousand Dollars) before the expiration of the original term of the option herein.

The Buyer may exercise this option by notice to the owner. The sales price shall be a total of \$1,500,000 (one million five hundred thousand Dollars).

The amounts paid herein for the option shall be credited to the purchase price.

Upon exercise of this option by Buyer, a closing shall take place within thirty days. The seller shall convey to the owner by warranty deed the property herein, and the title thereto shall be merchantable.

During the period of the pendency of this option the BUYER (Optionee) shall keep the premises adequately insured for fire and other extended perils. The SELLER (Optionor) shall be named as a loss payee. Upon the failure of the BUYER to maintain adequate coverage, the option shall cease as of the time of cancellation.

The reasonable and customary closing costs for transactions in Jackson County, Missouri shall be borne by SELLER.

Dated: 2-2-10

SELLER, Optionee  
Four Limited, LLC

Richard Carr  
Richard Carr

Dated: 2/9/10

BUYER, Optionor  
Easy Living Senior Care Center, LLC

Leslie Reeder  
Leslie Reeder

Dated: 2/9/10

## ATTACHMENT SEVEN

Facility  
78th and Holmes Road  
Kansas City, MO 64131

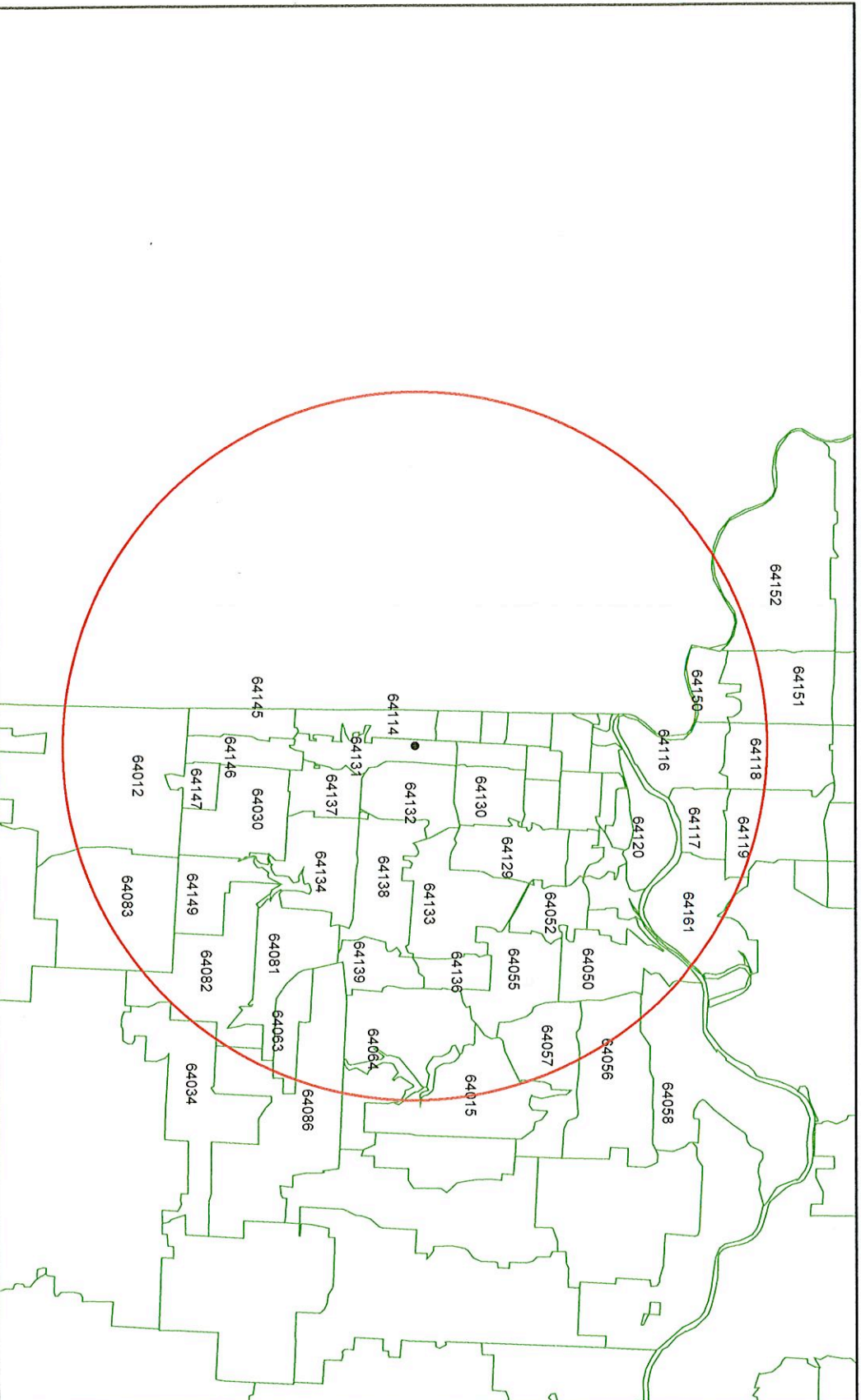
2015 Population Projections

ZIP Code	County Name	Total Population	Pop. 65 & Over	% in 15 Mile Radius	Total Service Area Pop	65+ Service Area
64012	Cass	31,649	4,738	90%	28,484	4,264
64015	Jackson	33,360	2,899	60%	20,016	1,739
64030	Jackson	24,837	2,588	100%	24,837	2,588
64034	Jackson	8,901	660	0%	0	0
64050	Jackson	22,317	3,856	100%	22,317	3,856
64052	Jackson	19,603	3,808	100%	19,603	3,808
64053	Jackson	5,477	723	100%	5,477	723
64054	Jackson	3,963	592	100%	3,963	592
64055	Jackson	34,242	6,543	100%	34,242	6,543
64056	Jackson	15,559	1,470	40%	6,224	588
64057	Jackson	13,409	1,931	80%	10,727	1,545
64058	Jackson	6,084	513	20%	1,217	103
64063	Jackson	23,799	2,125	90%	21,419	1,913
64064	Jackson	15,557	1,353	100%	15,557	1,353
64068	Clay	44,432	5,540	0%	0	0
64081	Jackson	26,098	5,625	100%	26,098	5,625
64082	Jackson	8,080	630	100%	8,080	630
64083	Cass	24,262	4,512	70%	16,983	3,158
64086	Jackson	25,892	1,487	40%	10,357	595
64101	Jackson	335	1	100%	335	1
64102	Jackson	0	0	100%	0	0
64105	Jackson	3,697	398	100%	3,697	398
64106	Jackson	4,971	513	100%	4,971	513
64108	Jackson	6,366	662	100%	6,366	662
64109	Jackson	10,769	1,304	100%	10,769	1,304
64110	Jackson	15,515	1,190	100%	15,515	1,190
64111	Jackson	15,607	1,773	100%	15,607	1,773
64112	Jackson	8,165	1,153	100%	8,165	1,153
64113	Jackson	11,090	1,426	100%	11,090	1,426
64114	Jackson	23,045	5,870	100%	23,045	5,870
64116	Clay	19,516	3,171	100%	19,516	3,171
64117	Clay	14,251	1,975	100%	14,251	1,975
64118	Clay	46,855	7,042	40%	18,742	2,817
64119	Clay	30,815	4,573	40%	12,326	1,829
64120	Jackson	283	54	100%	283	54
64123	Jackson	11,858	1,559	100%	11,858	1,559
64124	Jackson	14,482	1,354	100%	14,482	1,354
64125	Jackson	2,411	247	100%	2,411	247
64126	Jackson	6,655	729	100%	6,655	729
64127	Jackson	19,668	2,322	100%	19,668	2,322
64128	Jackson	11,457	1,933	100%	11,457	1,933
64129	Jackson	8,862	876	100%	8,862	876
64130	Jackson	22,033	3,521	100%	22,033	3,521
64131	Jackson	22,153	3,088	100%	22,153	3,088
64132	Jackson	14,441	1,332	100%	14,441	1,332
64133	Jackson	34,103	6,820	100%	34,103	6,820
64134	Jackson	23,336	2,374	100%	23,336	2,374
64136	Jackson	1,280	164	100%	1,280	164
64137	Jackson	9,235	1,380	100%	9,235	1,380
64138	Jackson	24,471	3,852	100%	24,471	3,852
64139	Jackson	1,653	363	100%	1,653	363
64145	Jackson	4,607	1,227	100%	4,607	1,227
64146	Jackson	1,366	331	100%	1,366	331
64147	Jackson	839	8	100%	839	8
64149	Jackson	440	62	100%	440	62
64150	Platte	3,103	576	100%	3,103	576
64151	Platte	29,517	4,150	40%	11,807	1,660
64152	Platte	29,989	2,926	n/a	n/a	n/a
64161	Clay	436	55	70%	305	39
64192	Jackson	21	0	100%	21	0
<b>TOTAL</b>	<b>n/a</b>	<b>897,217</b>	<b>123,947</b>	<b>n/a</b>	<b>690,844</b>	<b>99,575</b>



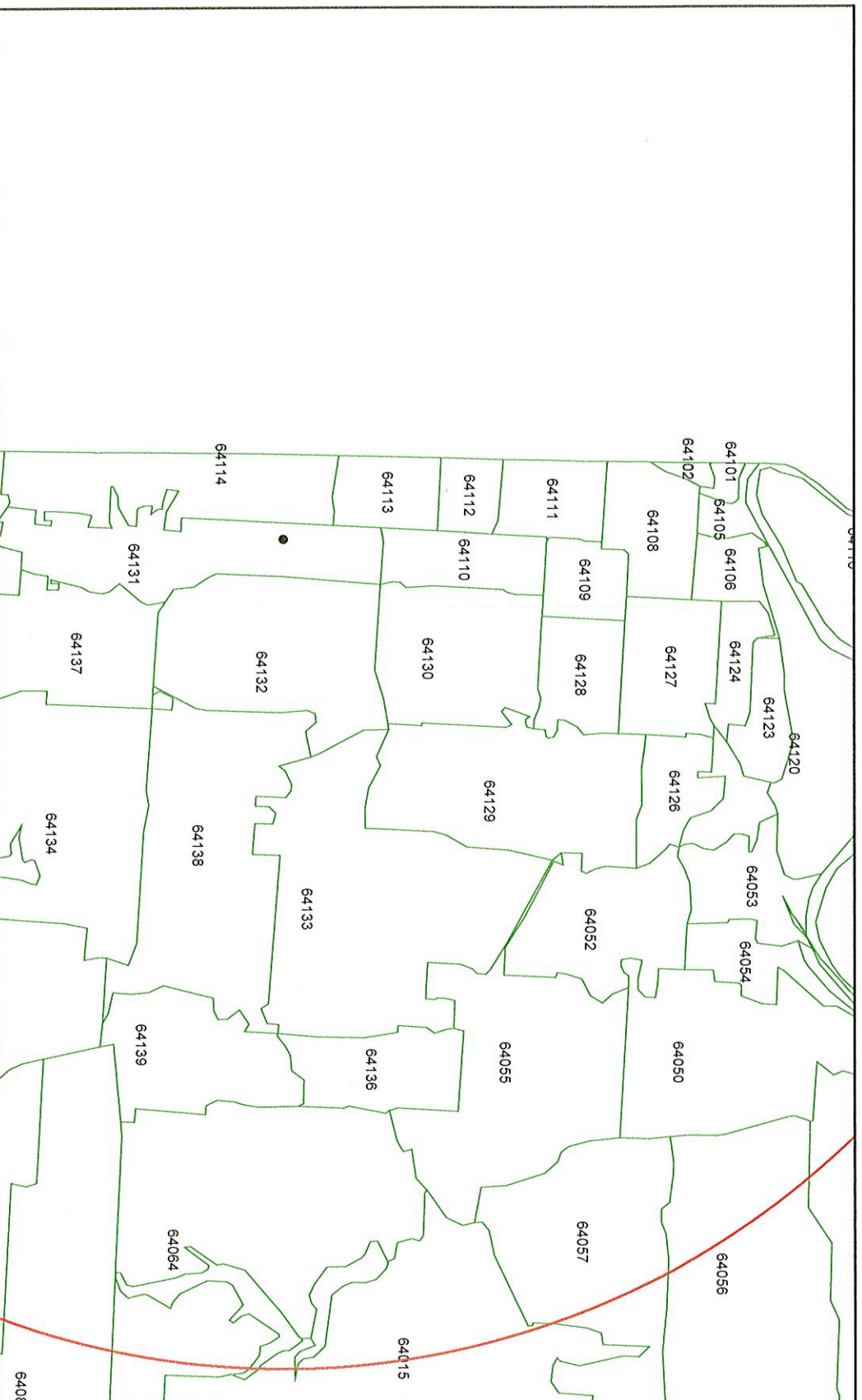
# CON 15 Mile Radius

Intersection of 78th and Holmes Road  
Kansas City, MO 64131



# CON 15 Mile Radius (Inset View)

Intersection of 78th and Holmes Road  
Kansas City, MO 64131



## ATTACHMENT EIGHT





**Terry M. Riley**

**Councilman, 5th District**

**Chair: Plans and Zoning Committee**

**Member: Transportation and Infrastructure Committee**

Schylon Clayton-Council Aide

22nd Floor, City Hall

414 East 12th Street

Kansas City, Missouri 64106

Phone: (816) 513-1629

Fax: (816) 513-1612

e-mail: [terry\\_riley@kcmo.org](mailto:terry_riley@kcmo.org)

e-mail: [schylon\\_clayton@kcmo.org](mailto:schylon_clayton@kcmo.org)

[www.kcmo.org/council/riley](http://www.kcmo.org/council/riley)

February 23, 2010

Missouri Health Facilities Review Committee

3418 Knipp Drive

Suite F

Jefferson City, MO 65109

Re: Easy Living Senior Care Center/7801 Holmes, Kansas City, MO

To Whom It May Concern:

My name is Terry Riley, Councilman for Kansas City, Missouri. I have been made aware of the project at 7801 Holmes Road located in Kansas City, Missouri, which consists of a 215 bed assisted living project. This is a greatly needed service for our community in the Holmes and 78<sup>th</sup> Street area.

I have reviewed the plans and I am very excited that the large, unoccupied 100,000 square foot facility, formerly operated as the Shalom Nursing Center, will be restored and refurbished for our community.

This facility will serve many area residents in need of specialized care, including the treatment of Alzheimer's disease, and will be affordable. The facility will employ more than 70 full time employees adding jobs to a depressed job market.

I wholeheartedly support this project and will be pleased when it is open and serving our citizens.

Respectfully,

Councilman Terry Riley

5<sup>th</sup> District, City Council

Kansas City, Missouri

## ATTACHMENT NINE

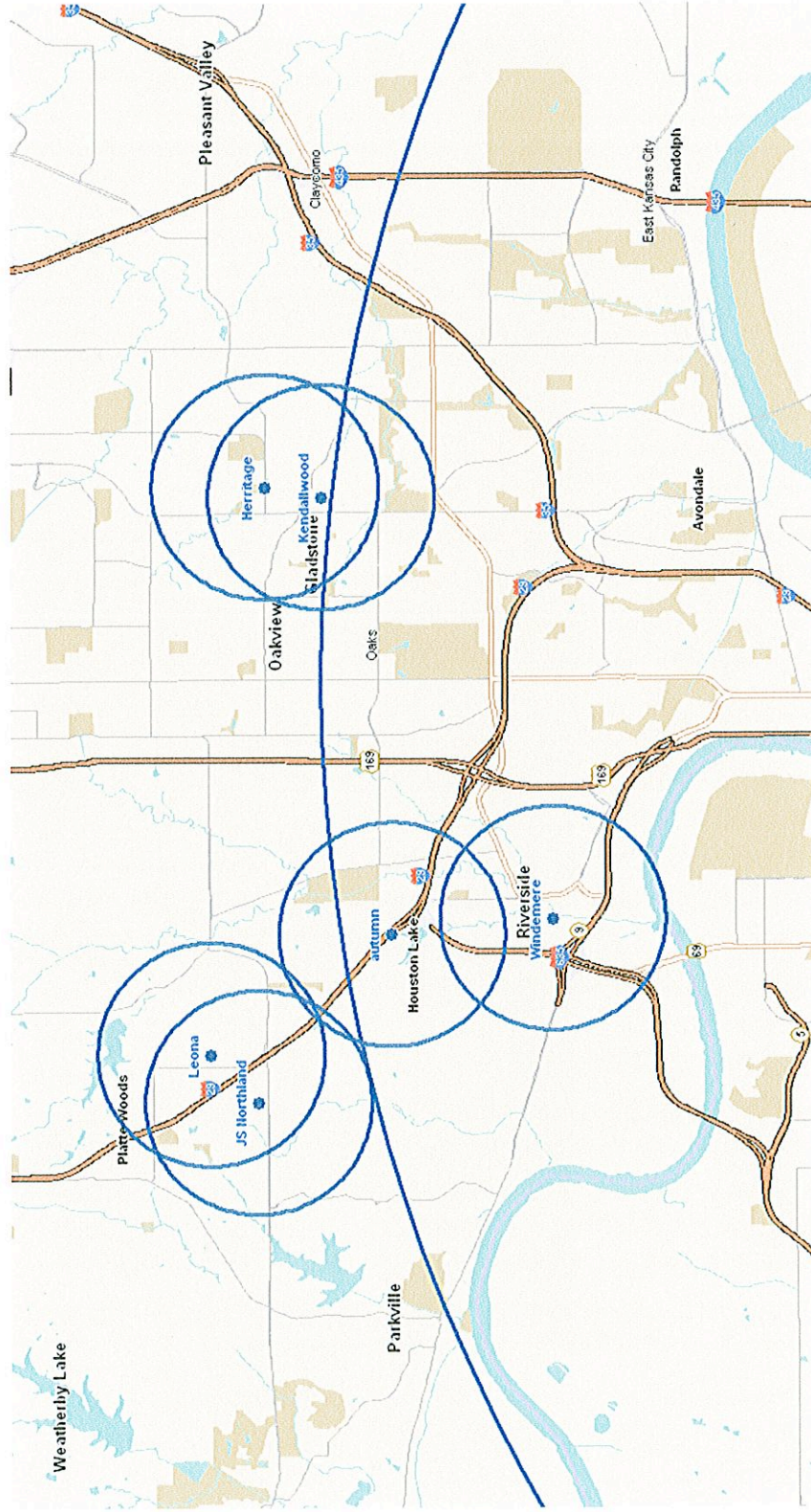
Essey Living Senior Care Center  
AL/RCF Beds Within 15-Mile Radius of Proposed Facility

Platte County - Within 15-Mile Radius								
Facility	Street	City	State	Zip	ALF	RCF	TOTAL	Occupancy
Autumn Woods	5500 NW Houston Lake Drive	KC	MO	64151	0	28	28	82%
Windemere Res Care	3100 NW Vivion Road	Riverside	MO	64150	0	65	65	85%
TOTAL					0	93	93	83%

Cass County - Within 15-Mile Radius								
Facility	Street	City	State	Zip	ALF	RCF	TOTAL	Occupancy
Beautiful Savior Home	1003 S Cedar St	Belton	MO	64012	50	0	50	58%
Bristol Manor of Raymor	604 E. Sunrise Drive	Raymore	MO	64083	0	12	12	50%
Carnegie Village Assisted Living	103 Bernard Drive	Belton	MO	64012	30	0	30	99%
Foxwood Springs Living Center	1500 W Foxwood Drive, Box 1	Raymore	MO	64083	62	0	62	90%
TOTAL					142	12	154	74%

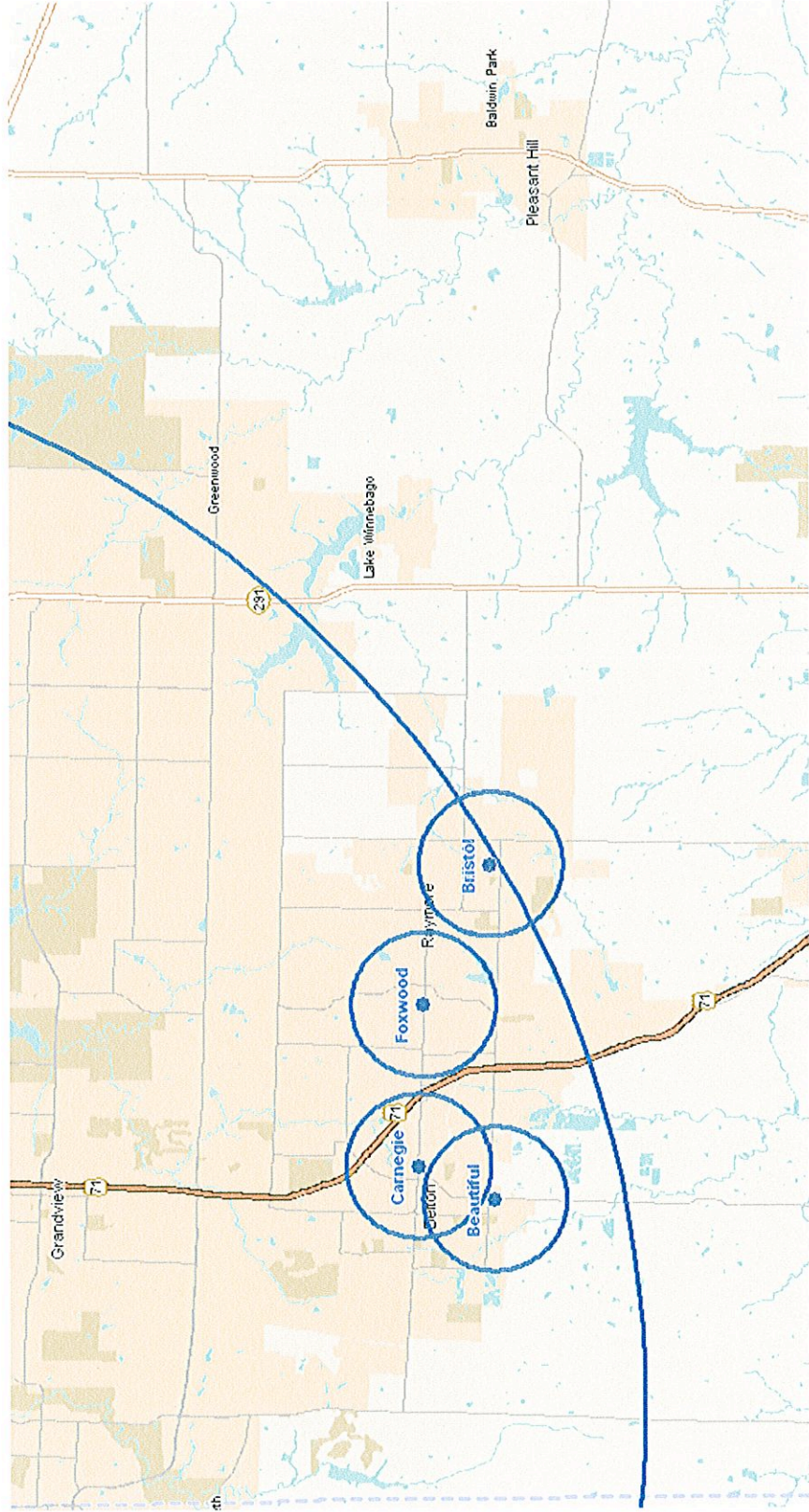
Jackson County Within 15-Mile Radius								
Facility	Street	City	State	Zip	ALF	RCF	TOTAL	Occupancy
Armour Oaks Senior Living	8100 Wornall Road	KC	MO	64114	47	0	47	75%
Beacon Hill Nursing Home	2905 Cambell	KC	MO	64109	0	37	37	96%
Bishop Spencer	4301 Madison Ave	KC	MO	64111	40	0	40	71%
Butterfly Haven	11500 campbell Street	KC	MO	64131	0	12	12	100%
Campbell Care Center	2826 Campbell Street	KC	MO	64131	0	27	27	87%
Carmel Hills	810 East Walnut	Independence	MO	64050	0	0	0	0%
Carrie Dumas	2836 Benton Blvd	KC	MO	64128	0	34	34	53%
Country House	1400 N River Blvd	Independence	MO	64050	0	12	12	25%
Edge Wood Manor	11900 Jessica LN	Raytown	MO	64138	0	22	22	87%
GLC Independence	17441 East Medical Center La	Independence	MO	64057	0	20	20	78%
Greens at Creekside	12940 Wornall Rd	KC	MO	64145	0	96	96	41%
Guardian Angel	6112 Manning	Raytown	MO	6413	0	12	12	100%
Harris House	3859 E 59th Terrace	KC	MO	64130	0	7	7	100%
Hidden Lake	11400 Hidden Lake	Raytown	MO	64133	0	48	48	99%
House of Care Center	3744 Benton Blvd	KC	MO	64109	0	8	8	88%
Jeanne Jugan Center	8745 James A Reed Road	KC	MO	64138	0	22	22	87%
Joliet Home	3920 Forest	KC	MO	64110	0	17	17	88%
Kingswood	10000 Wornall Road	KC	MO	64114	17	0	17	96%
Lodge Residential Care	3860 E 60th St	KC	MO	64130	0	8	8	88%
Masonic Home of MO	12101 E Bannister Road	KC	MO	64138	40	0	40	80%
Maywood Manor	1041 W Truman Road	Independence	MO	64050	0	24	24	79%
Paseo Resid Care	3433 Paseo	KC	MO	64109	0	28	28	46%
Rockhill Manor	4235 Locust	KC	MO	64110	190	0	190	82%
The Oaks	5550 Noland	KC	MO	64133	0	62	62	91%
Thompson Care Center	3241 Paseo	KC	MO	64109	0	80	80	55%
Turning Point Group Home	1720 Swope	Independence	MO	64057	0	12	12	95%
Village View	1704 NW Obrien Road	Lees Summit	MO	64081	22	133	155	90%
Villa Ventura	12100 Wornall Rd	KC	MO	64145	0	50	50	83%
Villages of Jackson Creek	3980 South Jackson Dr	Independence	MO	64057	52	0	52	85%
Waterford South	11515 Holmes Road	KC	MO	64131	28	0	28	90%
White Oak Living Center	1515 West Wite Oak	Independence	MO	64050	0	78	78	52%
Wood Oaks Inc	1804 S Sterling Ave	Independence	MO	64052	0	30	30	85%
TOTAL					436	879	1315	77%

# Clay and Platte County Within 15-Mile Radius (Overlapping Zip Codes)



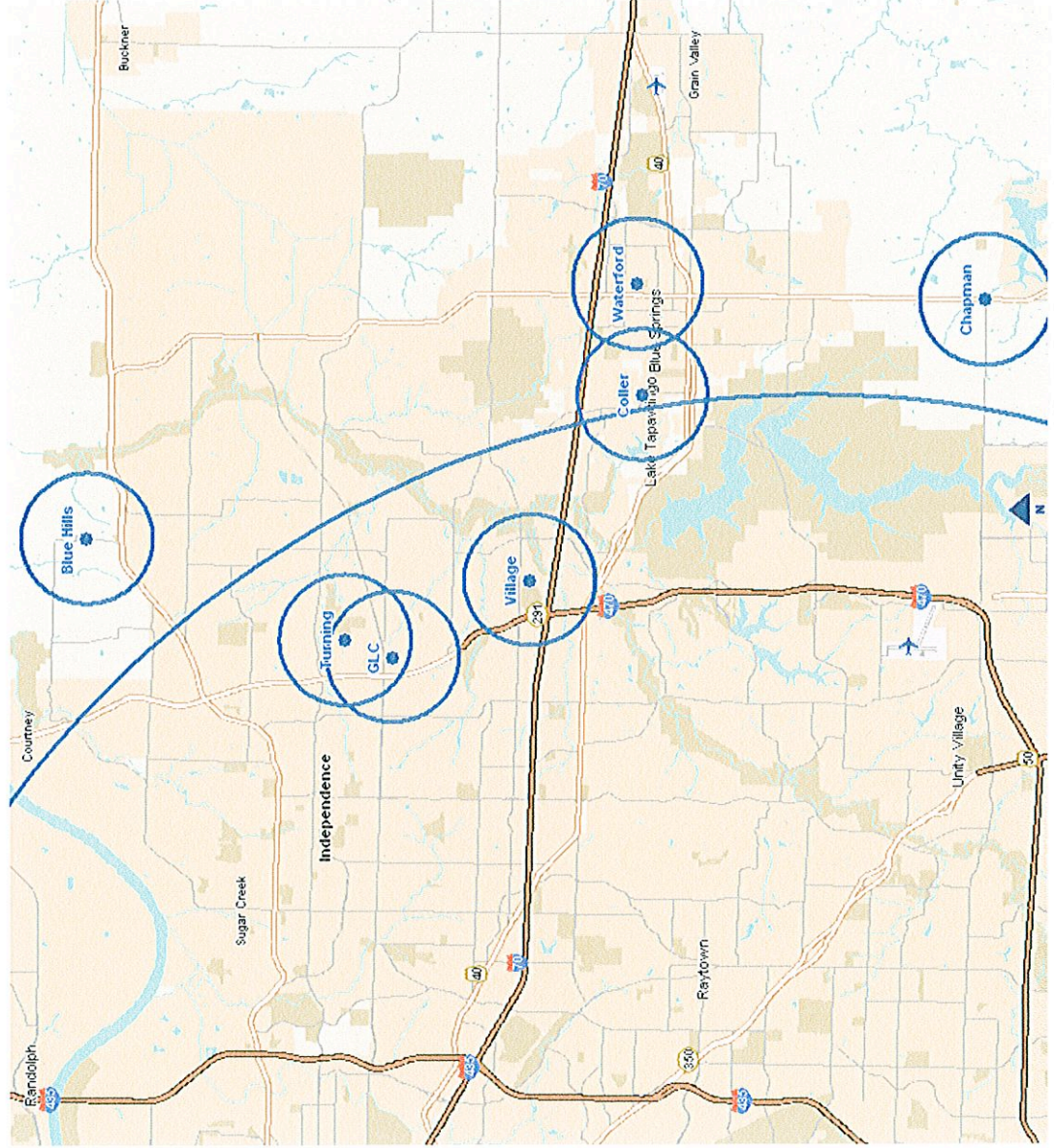


# Cass County Within 15-Mile Radius (Overlapping Zip Codes)





# Eastern Jackson County Within 15-Mile Radius (Overlapping Zip Codes)







## ATTACHMENT TEN



**INTERSTATE WAREHOUSE, DISTRIBUTION  
CENTER AND FINANCIAL SERVICES**

**Serving Kansas City, MO for over 38 years**

**8201 E. 23<sup>rd</sup> Street, Kansas City, MO 64129**

**Phone: 816-833-0000 Fax: 816-833-2085**

February 19, 2010

Mr. Bruce Bird and To Whom It May Concern  
Mid America Hospital Management Company  
3720 Arrowhead Avenue  
Independence, MO 64057

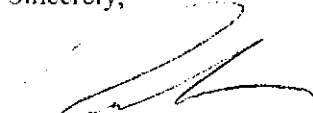
Re: Easy Living Senior Care Center

Interstate Underground Warehouse, Distribution Center and Financial Services has indicated a willingness to provide sufficient financing to complete the proposed Easy Living Senior Care Center purchase located at 7801 Holmes, Kansas City, MO.

Interstate Underground Warehouse, Distribution Center and Financial Services have sufficient assets, capital and lines of credit to adequately finance this project. For valuable consideration, Easy Living Senior Care Center agrees to deed Interstate Underground Warehouse, Distribution Center and Financial Services at 1/3 interest in the project at the time the project is funded.

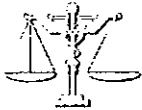
Upon acceptance, Easy Living Senior Care Center and Interstate attorneys will draw appropriate agreements and commitments for both parties to review and then execute final agreement between the parties.

Sincerely,



Dennis Speer, Senior Vice President  
Interstate Underground Warehouse, Distribution Center and Financial Services

## ATTACHMENT ELEVEN



## Certificate of Need Program

**SERVICE-SPECIFIC REVENUES AND EXPENSES****Historical Financial Data for Latest Three Years plus Projections Through Three Years Beyond Project Completion**

(Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.)

	Year		
	2010	2011	2012
<b>Amount of Utilization:*</b>	26,018	55,480	71,175
<b>Revenue:</b>			
Average Charge**	\$89	\$90	\$90
Gross Revenue	\$2,315,602	\$4,993,200	\$6,405,750
Revenue Deductions	0	0	0
Operating Revenue	2,315,602	4,993,200	6,405,750
Other Revenue	0	0	0
<b>TOTAL REVENUE</b>	<b>\$2,315,602</b>	<b>\$4,993,200</b>	<b>\$6,405,750</b>
<b>Expenses:</b>			
Direct Expense			
Salaries	1,132,900	2,167,944	2,847,015
Fees	205,982	394,172	517,639
Supplies	514,955	985,429	1,294,098
Other	205,982	394,172	517,639
<b>TOTAL DIRECT</b>	<b>\$2,059,819</b>	<b>\$3,941,717</b>	<b>\$5,176,391</b>
Indirect Expense			
Depreciation	180,000	180,000	180,000
Interest***	526,567	526,567	526,567
Overhead****	50,000	50,000	60,000
<b>TOTAL INDIRECT</b>	<b>\$756,567</b>	<b>\$756,567</b>	<b>\$766,567</b>
<b>TOTAL EXPENSE</b>	<b>\$2,816,386</b>	<b>\$4,698,284</b>	<b>\$5,942,958</b>
<b>NET INCOME (LOSS):</b>	<b>-\$500,784</b>	<b>\$294,916</b>	<b>\$462,792</b>

\* Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

\*\* Indicate how the average charge/procedure was calculated.

\*\*\* Only on long term debt, not construction.

\*\*\*\* Indicate how overhead was calculated.